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Haringey Council

Agenda item:

Cabinet

8th February 2011

Report Title: **Medium Term Financial Planning 2011/12 to 2013/14**

Forward Plan reference number:

Report of: **Director of Corporate Resources**

Wards(s) affected: **All**

Report for: **Key decision**

1. Purpose

- 1.1 To provide a Medium Term Financial Plan covering the three years to March 2014 with a revised assessment in each of the next three years of the General Fund, Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and the Capital Programme including:
- The financial resources available to the Council;
 - The cost of providing existing services; and,
 - The overall level of savings that have been and still need to be identified to give a balanced, sustainable budget over the medium term financial planning period.
- 1.2 To consider the Cabinet's proposed budget package for 2011-12 and later years.

2. Introduction by Cabinet Member for Resources

2.1 To be inserted

3. Recommendations

- 3.1 To note the outcome of the consultation process on the Budget set out in Section 17 and to note the ongoing consultation covering the proposals set out in Appendix 6.
- 3.2 To approve the overall Medium Term Financial Plan as set out in Appendices 1 and 2.
- 3.3 To approve the new investment proposals set out in Appendix 3.
- 3.4 To approve the changes and variations set out in Appendix 4.

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- 3.5 To approve revisions to previously agreed investment and savings proposals set out in Appendices 5.1 and 5.2
- 3.6 To approve in principle the new savings proposals set out in Appendix 6. Each of the proposals represents a decision which will in the future be considered by the responsible Directorate and, where appropriate, the responsible Cabinet member. Where appropriate certain of these will be the subject of consultation and of equality impact assessment when they come to be considered and a decision as to whether or not to proceed will be taken at that time. In the event that the relevant decision-maker decides not to proceed, with the result that savings are not realised, there will be an enquiry as to whether equivalent savings can be found elsewhere in the budget. Accordingly, Cabinet with the Leader's agreement delegates final decisions on the savings to be adopted to Directorates and where appropriate to the relevant Cabinet members within their portfolio responsibilities, following appropriate consideration of the results of any consultation and with due regard to the Council's duties under the Equality Act 2010.
- 3.7 To note that significant savings still have to be identified to deliver a balanced budget in 2012-13 and 2013-14.
- 3.8 To approve the level of un-earmarked general fund reserves of £10.5million and specific and other reserves as set out in Appendix 7.1.
- 3.9 To approve the proposals for the Children and Young People's Service Dedicated Schools Grant budget set out in Section 13 and Appendix 8.
- 3.10 To agree the proposals for the Housing Revenue Account budget set out in Section 14 and Appendix 10.
- 3.11 To approve the housing rent increases at an average of £5.36 per week (6.5%).
- 3.12 To approve the housing tenant service charge changes set out in Section 14.13.
- 3.13 To approve proposals for the capital programme and funding set out in Section 15 and Appendix 11.
- 3.14 To approve the proposed general fund budget requirement for 2011-12 of £286.169m net of Dedicated Schools Grant, subject to the decisions of precepting and levying authorities and final details of the Formula Grant Settlement.
- 3.15 To agree the indicative criteria set out in Appendix 8 to be applied by all Directorates both in the consultation concerning and in the determination of the future funding of Third Sector organisations, and other organisations where appropriate.
- 3.16 To note that this budget report will go to Council on 24th February 2010 including the final decision on the budget and the council tax for 2011-12, taking into account the final Formula Grant notifications.

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4. Local Government (Access to Information) Act 1985

4.1 The following background papers were used in the preparation of this report:

- Report of the Director of Corporate Resources to the Cabinet on 21st December, 2010 – Medium Term Financial Planning 2011/12 to 2013/14
- The Local Government Finance Settlement for 2011-12 and the Provisional Settlement for 2012-13
- HM Treasury Spending Review documents

5. Background

- 5.1 The Council's integrated financial and business planning process is the key mechanism by which plans and strategies are reviewed to ensure the performance and priorities are being met and that resources are allocated effectively to underpin their achievement. The process culminates in changes to the budget and medium term financial strategy that delivers a revised Council Plan. The plan reflects the Council's own priorities and contributes to the wider Sustainable Community Strategy delivered in conjunction with the Haringey Strategic Partnership.
- 5.2 The draft Medium Term Financial Plan (MTFP) as presented to Cabinet on 21st December 2010 showed a projected three year funding shortfall of £86.9m. With savings proposals of £28.4m identified up to that date this left £58.5m in savings still to be identified over the three year planning period with £34m of that to be found in 2011-12.
- 5.3 Since the December meeting a considerable amount of work has been undertaken to develop further savings proposals. These proposals are now being presented in light of the feedback from an extensive budget consultation process and the budget scrutiny process. The savings proposals involve significant policy changes and will require a major transformation in the way the Council operates under the significantly reduced resource base. The MTFP is summarised in Appendix 1 and Appendix 2.
- 5.4 The Council has made representations to Communities for Local Government and the Housing Minister, Grant Shapps, over the proposed level of grant settlement for the next three years and highlighted both the special circumstances affecting Haringey and the Council's specific concerns over the Formula Grant allocation methodology.

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However, the final grant notification is still to be confirmed and this report is based on the information in the consultation draft.

5.5 As part of its consultation response the Council made a number of specific requests to the government:

- Consider Haringey's special circumstances particularly in respect of children's services and provide £7.4m one off funding;
- Consider Haringey as inner London rather than outer London and rescind the proposal to reduce the Area Cost Adjustment;
- Ensure that Haringey retains band 1 flooring;
- Allow Haringey to defer £15m of cuts until 2012/13 and £5m to 2013/14 by way of transition grant funding;
- Allow Haringey to capitalise £15m of redundancy costs in 2010/11 and 2011/12, through the use of borrowing or capital receipts;
- Remove the uncertainty of the allocation of the £3m of NHS funding to support social care and benefit health by paying the funding direct to the Council and,
- Rescind the proposal to top slice the Grant Settlement as an Academies adjustment and make such adjustments to individual authority allocations based on the actual number of Academies in each local authority area.

5.6 The proposals that form the basis of the proposed MTFP for the period 2011-2014 and are contained within this report assume no change from the grant settlement consultation. This report proposes a budget package for the three year planning period and is in 11 Sections:

- Strategic Approach (Section 7)
- Financial Resources (Section 8)
- Budget Pressures (Section 9)
- Budget Process and Savings Proposals (Section 10)
- Equalities Impact Assessment (Section 11)
- Risks and Opportunities (Section 12)
- Dedicated Schools Grant (Section 13)
- Housing Revenue Account (Section 14)
- Capital Programme (Section 15)
- Treasury Management Strategy (Section 16)
- Consultation (Section 17)

5.7 The detailed assumptions that support the proposed MTFP are set out below and in the attached Appendices.

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6 Appendices

- Appendix 1 – Summary of the Medium Term Financial Plan
- Appendix 2 – Detailed analysis of the Medium Term Financial Plan by service area
- Appendix 3 – Detailed analysis of projected budget revenue investments resulting from increased service demand and higher unit costs
- Appendix 4 – Other changes and variations
- Appendix 5 – Pre-agreed revenue investments and savings schedule
- Appendix 6 – Detailed HESP savings proposals
 - Appendix 6.1 – new savings proposals
 - Appendix 6.2 – proposals to December 2010 Cabinet
- Appendix 7 – Reserves and Risk Evaluation
 - Appendix 7.1 – Reserves and their Adequacy
 - Appendix 7.2 – Risk Evaluation
- Appendix 8 - Indicative criteria for the determination of funding scheme decisions
- Appendix 9 - The proposed budget for 2011-12 for Children and Young People's Service - Dedicated Schools Grant (DSG)
 - Appendix 9.1 – DSG Budget Strategy
 - Appendix 9.2 – Recommendations of Schools Forum
- Appendix 10 – The Housing Revenue Account Medium Term Financial Plan
 - Appendix 10.1 – HRA MTFP 2011-12 to 2015-16
 - Appendix 10.2 – HRA new investment
 - Appendix 10.3 – HRA existing savings
 - Appendix 10.4 – HRA new savings
 - Appendix 10.5 – HRA summary of budget variations
- Appendix 11 – Capital Programme
- Appendix 12 – The budget report of Overview and Scrutiny Committee and the Cabinet response

7 Strategic Approach

To be inserted

8 Financial Resources

8.1 The Council now has five main streams of financial resources:

1. Formula Grant
2. Core Grants
3. Council Tax
4. Fees and Charges
5. One-off use of Reserves

Formula Grant

8.2 The budget year 2010-11 is the last of the three years under the direction of the Comprehensive Spending Review (CSR) 2007, which was issued in October 2007 and set totals for national and local government expenditure together with Treasury-led policy directions. The budget for 2011-12 is the first one under the new Coalition

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Government and also the first under the new Spending Review announced on 20 October and the Revenue Grant Settlement announced on 13th December 2010.

- 8.3 The overall grant settlement allocated £182.5m to Haringey in 2011-12 with a provisional allocation of £170.6m in 2012-13. The 2011-12 allocation comprises £153.2m in Formula Grant and £29.2m in Core Grants (excluding any New Homes Bonus but including an assumed £2.5m in Council Tax Freeze Grant). The Core Grants also include £3.0m in NHS funding to support social care and benefit health (£2.8m in 2012-13). Whilst it is expected that this funding will be transferred from the PCT in 2011-12, going forward for planning purposes in the MTFP this has been excluded.
- 8.4 The Formula Grant element of the settlement is based on a complex distribution methodology which takes into account the following “blocks”:
1. Relative Needs - This reflects factors that affect the costs of service delivery, such as levels of deprivation or labour costs in different areas. Those areas of greatest need will receive more Formula Grant.
 2. Relative Resources - This reflects the income that councils are able to raise locally by collecting council tax. Areas with a higher council tax base will receive less Formula Grant.
 3. Central Allocation - This is shared on a ‘per capita’ basis.
 4. Specific Grants – This is a new element that ‘tailors’ the specific grants that have been rolled-in to the Formula Grant on an authority by authority basis.

Finally, having allocated the grant through the four blocks outlined above the overall Grant reduction is ‘capped’ through a ‘Grant Floor’ mechanism.

- 8.5 This year the distribution methodology has been changed giving a greater weighting to relative needs and less weighting to central allocation. This should have been to the benefit of Haringey although the lack of transparency in the methodology makes it impossible to see any apparent benefit, especially as the Council remains on the grant floor.
- 8.6 Although the government sought to portray the settlement as representing less than a 10% year on year reduction it did so by changing the basis on which the year-on-year movement has been calculated. Instead of confirming the 12% funding reduction as indicated in the Spending Review announcements the government has moved to a 7.9% “change in estimated revenue spending power”. Revenue spending power has been defined as the Council’s combined income from government grants and Council Tax.
- 8.7 Thus by increasing the base figure in the calculation the grant reduction is a smaller percentage. Furthermore this change also masks the additional reduction in Core Grants with uncertainty around another £2.3m in former specific grant funding through a failure to make any reference at all to the grants concerned. Clarification on the position of the various grants continues to be sought.

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- 8.8 The current projected reduction in the Council's funding allocation is actually 13% less in 2011/12 (excluding Council Tax Grant) and in cash terms is estimated as £42.3m over the Council's three year planning period profiled as follows:

	2011-12 £million	2012-13 £million	2013-14 £million	Total £million
Provisional Grant Settlement (excluding Council Tax Grant but including the assumed transfer of NHS funding)	179.9	168.0	164.5	
Reduction from 2010-11 base after adjusted for roll-in (£206.8m)	-26.9	-11.9	-3.5	-42.3
% Reduction (year-on-year)	13%	7%	2%	

The grant settlement figures are still provisional and may change. Any significant change would be a risk to the budget as currently presented in this report.

Grant Floors

- 8.9 In the past, Government has set a single 'floor' to limit the effects of year on year changes in grant allocation. This is also called 'damping'. Instead of just a single floor, this year councils have been grouped into four bands with four different floors. These bands/floors are based on the percentage of a Council's funding requirement financed from formula grant (i.e. the relative level of grant dependency).
- 8.10 For 2011-12 the floors have been set to damp the overall level of grant reduction within each band. There are 25% (38) of education/social service authorities in each banding. Haringey's percentage funding is currently 58.89% ranking it 36th and therefore in Band 1. Despite the loss of grant this ranking has benefited the Council by £2m as Sheffield Council (with a funding level of 58.6%) is ranked 39th and therefore falls in Band 2. The Band 2 floor is 12.3% compared to 11.3% in Band 1: this 1% in effect reduces the level of grant loss to the Council by £2m.

Table: Education/Social Service authority floor levels, 2011-12 and 2012-13

Floor band	2011-12 floor	2012-13 floor	No. of London Authorities
Band 1 (most dependent)	-11.3%	-7.4%	17
Band 2	-12.3%	-8.4%	3
Band 3	-13.3%	-9.4%	9
Band 4 (least dependent)	-14.3%	-10.4%	4

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Core Grants

8.11 The Grant Settlement also confirms the announcements in the Spending Review that the number of separate specific grants is being reduced from over 90 to 10 new 'core' grants as follows:

- Early Intervention grant
- Public Health grant (from 2013-14)
- Learning Disabilities
- New Homes Bonus
- Council Tax Freeze Grant (see Section 8.12 below)
- Housing Benefit and Council Tax Administration Grant
- PFI Grant
- Dedicated Schools Grant including the Pupil Premium (see Section 13 below)
- Preventing Homelessness
- NHS grant to support care and benefit health

Whilst DSG and the NHS grant will continue to be ring-fenced none of the other grants will be, thus potentially giving the Council greater flexibility. There is, however, a considerable lack of clarity around the NHS grant, both in terms of the allocation methodology and how the grant may be used and discussions are currently taking place with the Primary Care Trust to agree the transfer of funding to the Council under Section 256 agreements. The MTFP assumes the transfer of the £3m funding allocation in 2011-12 to support the cost of services reflected in the current service proposals of the Director of Adult, Culture & Community Services.

Council Tax

8.12 As part of the Spending Review and Grant Settlement the Government has announced that local authorities who freeze their Council Tax in 2011-12 will have the resultant loss to their Council Tax income funded at a rate of 2.5% in each year of the Spending Review period.

8.13 The Government has already consulted on proposals to hold local referendums to veto excessive Council Tax increases. The scheme proposed that the Secretary of State will each year determine principles regarding levels of Council Tax and any authority planning an "excessive" Council Tax increase will be required to prepare a 'shadow budget' and will be required to hold a local referendum of all registered electors by no later than the first Thursday in May.

8.14 In considering the level of Council Tax for 2011-12 the Council should have regard for:

- The level of non-Council Tax funding resources that will be available in each of the next three years;
- The on-going level of demand for services;
- The views of residents, the trade unions, businesses and other interested parties;
- The level of efficiency savings and service reductions that can realistically be delivered;

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- The likely restrictions on any proposed Council Tax increases and the level of grant being offered by the government over the next four years to those Councils that freeze their Council Tax in 2011-12;
- The general economic climate and the additional financial burden that any increase will have on Council Tax payers.

The MTFP is based on the Council electing to freeze Council tax in 2011-12 and therefore qualify for £2.5m in grant funding in each of the next four years. For financial planning purposes only, the MTFP incorporates an assumed 2.5% per annum increase in Council Tax from 2012-13 onwards. The Council will make its decision on potential future Council tax levels as the medium term financial picture becomes clearer.

- 8.15 The projected income from Council Tax in 2011-12 is £102.5m based on 90,174 Band 'D' equivalent properties and a collection rate of 96% (the projected collection rate for 2010-11 is 96%).

Council Tax Benefit Subsidy

- 8.16 The Government also announced in the Spending Review (and in a subsequent White Paper) that it will reduce subsidy on Council Tax Benefit (CTB) by 10% and localise it from 2013-14. This is potentially a major issue for those residents who are eligible for receipt of CTB should the Council be forced to pass on the reduction; significant hardship could result for those individuals affected. Analysis of the reductions in benefit across the country shows Haringey as one of the worst hit in terms of reduction per head of population. Whilst, on the one hand, this could give local authorities flexibility to tailor the scheme to meet local priorities the obvious concern is that unless the Council reduces the level of benefit it provides in line with subsidy levels then the overall Council Tax income will be reduced.
- 8.17 In 2010-11 a 10% reduction in CTB subsidy would have cost the Council £3.7m without a corresponding reduction in benefits. In fact even if the level of benefits is reduced the Council would need to anticipate a fall in its collection rate.
- 8.18 The MTFP includes a provision of £4.0m from 2013-14 based on the assumptions that the level of benefit continues to increase and the Council chooses not to recover any loss in subsidy from the affected Council Tax payers. However, the Council will need to give proper consideration to its policy in this regard and as further details of the proposals emerge the level of provision will be reassessed.

New Funding Sources in the Future

- 8.19 The Government has recently published a White Paper that proposes to give local authorities new opportunities to raise additional funding. These include:
- The establishment of 24 government-approved Local Enterprise Partnerships (LEPs) with the GLA taking on the role of stimulating economic growth in London;
 - the introduction of Tax Increment Financing (TIF) under which local authorities would retain the business rate uplift generated from development and use this funding stream to borrow for infrastructure needed to start the development;

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- a New Homes Bonus to incentivise house-building locally through which the government will match fund the additional council tax for new homes and properties brought back into use for six years after being built;
- a local government Resource Review which will consider whether the government should establish a Business Increase Bonus scheme or enable Councils to retain locally raised business rates;
- local authorities will also be allowed to keep additional business rates generated from hosting renewable energy projects.

The views of local authorities are being sought with the Resource Review being launched in early 2011.

8.20 The New Homes Bonus is the only funding stream that seems likely to offer the Council any additional funding in 2011-12. Based on the property information contained in the Council's annual Council Tax Base Statistics (CTB1) for 2009 and 2010 it is estimated that the Council could receive some £1.2m in new grant funding from 2011-12. This sum has therefore been included in the MTFP in each of the next three years. The government is still consulting on this and it is expected to announce the final scheme alongside the Formula grant notification later in February.

8.21 Over the medium term planning period though, it is unlikely that the other opportunities will generate significant additional general fund revenue resources. The position will be kept under close review and the results of the various consultation processes will be monitored with the potential revenue implications assessed and incorporated into future revisions of the financial plan once the associated proposals have been finalised.

Fees and Charges

8.22 A full review of fees and charges across all service areas was completed in the last quarter with recommended increases reported to Cabinet and General Purposes Committee on 21st December 2010. These increases that came into effect in January 2011 are reflected in the savings proposals detailed in Section 10.

8.23 The government has announced the intention to give greater freedoms and flexibilities to local authorities through new devolved powers in the proposed Localism Bill. This may, in time, afford the Council the opportunity to revise a number of existing fees and charges which are currently determined by statute. In the event that such powers are devolved then proposals will be brought to Members for further changes in existing charging structures that better reflect local demand and the cost of associated service provision.

Reserves

8.24 It is projected that the Council will have un-earmarked General Fund Reserves of £10.5million as at 31 March 2011 (the same as at 31 March 2010). This assumes that the forecast overspend in 2010/11 is reduced and a balanced position for the year is assumed. Given the scale of the savings being proposed as part of the MTFP and the significant risks identified in Section 12 below it is proposed that reserves should not

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be used to fund on-going expenditure and, where possible, earmarked reserves should be maintained.

8.25 The Council holds a number of reserves which are detailed in Appendices 7.1 and 7.2 and can be categorised as follows:

1. Un-earmarked (General) Reserves: these are held to cover the net impact of risks and opportunities and other unforeseen emergencies.
2. Earmarked (Specific) Reserves: these are held to cover specific known or predicted financial liabilities.
3. Other Reserves: these are reserves which relate to ring-fenced accounts which cannot be used for general fund purposes (e.g. Housing Revenue Account and Schools)

The summary in Appendix 7.1 also shows the projected movement on the reserves for both the current financial year 2010-11 and 2011-12.

8.26 It is imperative that the un-earmarked general reserves are adequate to meet the assessed net financial impact of the risks and opportunities detailed in Section 12 below. This assessment is set out in Appendix 7.2 and shows service related risks of around £10m.

8.27 Thus the un-earmarked reserves of £10.5m brought forward from 2009-10 is estimated to be adequate to meet the Council's current projected net risks and opportunities.

8.28 The Council is facing potential redundancy costs of an estimated £25m as a result of the staffing reductions implicit in the savings proposals (see section 10 below) in respect of 2010/11 and 2011/12. Although the Council has an earmarked transition reserve to meet these costs it will not be sufficient. Redundancy costs can be capitalised with government approval.

8.29 The Council has received approval for £780k for 2010/11 and is still waiting to hear if any further capitalisation for 2010/11 will be forthcoming. Approvals for 2011/12 will not be known until after the budget is set. Indications are that approvals are substantially below the sums requested by authorities. The extent to which the Council cannot capitalise redundancy costs means that revenue reserves will need to be utilised. The Council only has the transition reserve and debt repayment / capital reserve available and it is proposed that these are earmarked to fund redundancy costs as set out below:-

Proposed funding of Redundancy Costs	
	£m
Transition Reserve	10.0
Debt Repayment / Capital Reserve	13.0
Capitalisation – approved 2010/11	0.70
Capitalisation – estimated 2011/12	1.30
Total	25.0

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The use of the debt repayment / capital reserve will reduce the Councils flexibility regarding the capital programme and the refinancing of debt. It will also take away contingency sums earmarked for the risk on the recovery of Icelandic bank investments.

The consequence is that if the planned level of capital receipts for 2011/12 is not achieved, and bearing in mind the programme is dependant on a few significant receipts, then temporary borrowing would be required until receipts are received or alternative funding found. If the reserve remains unused then it could be used for this purpose. If capitalisation approval is received the debt repayment / capital reserve will be partly or fully reinstated.

9 Budget Pressures

Service Demand and Unit Cost Pressures

- 9.1 The Council's budget monitoring reports over the first nine months of 2010-11 have been highlighting significant cost pressures particularly in the Children and Young People's Service, Adult Social Services and Homelessness. The management action that has been necessary to contain these budget pressures, as well as dealing with the in-year reduction in Government funding, will now be largely reflected in longer term savings proposals. However, these budget pressures will continue over the financial planning period and therefore need to be reflected in the new base budgets against which savings decisions will be considered.
- 9.2 A schedule detailing the budget pressures in each service area is attached as Appendix 3. Over the three year planning period the growth pressures total some £16.8m with £14.2m in 2011-12. These pressures are summarised below.
- Looked after Children and Safeguarding (£7.4m from 2011-12) – increased numbers of children in care and those with no recourse to public funds.
 - Adult Social Care (£4.4m from 2011-12) – a higher demand for services, including in learning disabilities with children transitioning into adult social care. There is also a significant reduction in anticipated NHS joint funding.
 - Homelessness Temporary Accommodation (£2.2m from 2011-12) – resulting from the housing benefit subsidy changes introduced on 1st April 2010 and further changes to the benefit system being introduced by the Government.
 - Benefits and Local Taxation (£0.2m from 2011-12) – reflecting the additional cost of administering an increasing number of benefit claimants and maintaining existing service standards.

Other Changes and Variations

- 9.3 In addition to the specific budget pressures there are a number of general cost pressures that the Council will face over the planning period.
- Inflation – the Government's projections for Consumer Price Index (CPI) inflation reflected in the Spending Review are 2.4% in 2011, 1.9% in 2012, and 2.0% in

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2013 and 2014. The Governor of the Bank of England is already warning that the 2011 projections are optimistic, particularly given the 2.5% increase in VAT from January 2011. Whilst the Government has stated that it expects a period of wage restraint across all public services a provision will be factored into the planning assumptions. Furthermore there is a 1% increase in the employers' National Insurance rate from April 2011.

Since reporting the inflation provision to Cabinet in December 2010 it is considered to be possible to reduce the allowance for general expenditure (excluding third party contracts) by £1.2m. The overall provision for pay and inflation, therefore, is reduced to £5.3m as shown in Appendix 4. This will require budget holders to manage without the expectation of inflation allocations on certain elements of their budget.

- Another area of considerable price volatility is the cost of energy. Although Corporate Procurement has successfully driven down unit costs the current wholesale prices have gradually increased over the past three months and all energy users could face significant price increases over the next twelve months. Provision has therefore been included to cover unavoidable price increases to goods and services although Corporate Procurement will be working with service managers to negotiate lower prices wherever possible.
- Equal Pay/Single Status - a new package of pay and conditions was agreed in September 2008. The pay arrangements in terms of the back-dated compensation were resolved and paid last year and an estimate of the potential on-going costs going forward will be included in the budget.
- Concessionary Fares - London Councils previously agreed to revise the allocation of the cost of the concessionary fares levy to move towards actual usage data and this is being phased in. The GLA has already notified the Council of an increase of £3.7million for 2011-12. However, further substantial increases are forecast due to further reductions in grant funding from the Mayor of London as well as the continuing impact of the change in the method of distribution.
- North London Waste Authority – an increase of £0.5m for 2011-12 has already been confirmed by NLWA. Whilst this increase is significantly less than had been originally assumed, the increase has been adjusted through the planned one-off use of NLWA reserves. With on-going projected increases in both waste tonnages and the statutory increases in landfill tax there will be more significant rises in NLWA in future years. Furthermore, now that the plans for the major procurement to secure new long term recycling and environmentally sound disposal facilities are in doubt following the Government's withdrawal of PFI credits the future cost implications for all of the member boroughs is unclear.
- Employer Pension Costs - the next actuarial triennial valuation will be finalised before April 2011. However, current indications are that the pension fund is 70% funded with ever increasing life expectancy giving rise to higher long term liabilities and employer contributions. However, following discussions with the Actuary and taking account of the above, it is proposed that there is no change to employer contribution rates.

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- The Government has commissioned a report from Lord Hutton into the future financing of public service pensions and significant changes to the scheme are anticipated. An increase in employee contributions and amendments to the existing final salary arrangements are predicted. Once the report is released it will be possible to start to consider the funding implications.
 - Risk Provision – in future years there are significant risks to the level of government funding from 2012 onwards and the Council will see further increases in the demand for Children's Services, Adult Social Care and Housing Services as a result of the Government's proposed changes to the Welfare Benefits System with a consequential increase in service costs.
 - Alexandra Palace and Park - the long term future will be the subject of further consideration and consequently the Council's financial support to the Charity will need to be reviewed in light of the Council's considerable financial challenge. Work will need to commence to formulate a master plan for the Palace with the aim to secure its long term future. Progress is being made on this with some early work being undertaken on an options appraisal/feasibility study. The underlying revenue deficit is in the order of £2m per annum and the expectation from the Council is that this will be reduced through efficiency and other savings proposals over the financial planning period.
 - Carbon Trading – the Government has announced proposed changes to the carbon Trading Scheme which in effect turn it into a carbon tax. This is a disappointing change given that the Council has continued to give a high priority to environmental improvement and this change in direction will make it even more difficult to achieve our green agenda objectives. There is continued uncertainty as to whether the Council will become liable for the tax on schools carbon emissions and although the payments under the scheme will not be due until 2012 (based on 2011-12 consumption) provision will need to be included in the budget from next year. Elsewhere on the agenda Cabinet is being asked to allocate £0.5m of the Financing Reserve and provide up to £1m in prudential borrowing to top up the Sustainable Investment Fund. This funding will finance invest-to-save projects that will reduce both the Council's energy costs and carbon emissions.
 - Other – there are other smaller provisions that need to be included in the MTFP to cover the potential debt financing cost changes.
- 9.4 The potential overall additional cost to the Council of some £37m over the three year financial planning period from the above budget pressures is detailed in Appendix 4.

10 Budget Process and Savings Proposals

- 10.1 The strategy for dealing with the considerable budget gaps from 2011-12 onwards is already well advanced. There are three key strands which have been developed through a Haringey Efficiency and Savings Programme (HESP):
- Significant 'back office' efficiencies will be achieved through the '**support functions review**' in order to protect front line services as much as is possible;

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- Services to be reduced or discontinued will be identified in the '**strategic service reviews**'; this will involve prioritising resources to the most vulnerable in the Borough and other changes could include reconfiguration, shared services, social enterprises, reviewing policy options and discretionary areas of spend.
- We will bring together commissioning activities by developing a '**strategic commissioning**' function that will focus our resources on desired outcomes over and above delivery and process.

In addition the Council will be undertaking a major organisational restructuring, which will include reducing the number of managers through de-layering and increasing spans of control.

- 10.2 As part of the 2010-11 financial and business planning process the Council has already approved a number of revenue investments and savings which will impact on the MTFP. These show a net saving of £4.8m and are detailed in Appendices 5.1 and 5.2. The new savings proposals total £62.4m over the three year planning period are detailed in Appendices 6.1 and 6.2. This figure includes £28.4m of savings proposals already reported to Cabinet in December (Appendix 6.1) and new savings proposals totalling £34m (Appendix 6.2).
- 10.3 However, having reviewed the detailed budget reduction submissions it is evident that two of the proposals may require longer lead in times and a separate contingency of £1.8m has been included for these items which moves the savings from 2011-12 to 2012-13 as detailed in Appendix 6.2.
- 10.4 Furthermore, given the scale of the organisational changes necessary to achieve over £40million of savings in one year, implementation delays alone could be £3.5m per month across the full range of savings. With this in mind it is considered appropriate to hold a designated £2m contingency in the budget in addition to general balances. However it is recognised that the position is very tight and it is suggested that more savings are identified for realisation in 2011-12 over and above those identified in this report. This will assist in mitigating these risks and help prepare for 2012-13 and will be reported to Cabinet as part of the regular budget monitoring process.
- 10.5 As has already been identified, the additional grant loss in 2012-13 and 2013-14 contribute to the need to identify further savings in those years of some £42m to provide a balanced budget over the whole of the financial planning period. The proposals in this report identify £21m of savings leaving a further £21m to identify. These additional savings proposals will need to be developed over the next twelve months in the light of the implementation of the existing proposals and other changes in government legislation.
- 10.6 It must also be recognised that there are costs associated with delivering a savings and efficiency programme of this scale. As has already been stated in paragraph 8.28 above, the Council has an earmarked Transition Reserve of £10.2m to fund the associated transition costs of redundancies, decommissioning, and investment necessary to deliver longer term efficiencies and change. This will need to be supplemented.

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- 10.7 Indeed, the Council has already asked staff to volunteer for redundancy with the total redundancy costs of approximately 1,000 staff likely to be around £25m.
- 10.8 The transition costs will be kept under constant review and reported to Members as the position is clearer and as part of the overall budget monitoring process.

11 Equalities Impact Assessment

- 11.1 Under the Equality Act 2010 and the Public Sector Equality Duty (PSED), the Council needs to assess the impact of the budget proposals, and pay due regard to the equality duty. This duty as set out in the Act, covers the following protected characteristics (also referred to as protected groups): age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 11.2 Prior to the making of any final decision the Council will assess the impact of the budget proposals by conducting Equality Impact Assessments (EqIAs), starting with an initial screening which considers whether there is a need for a full EqIA. The Council has an established EqIA corporate process, tools and guidance in place whereby relevant managers have responsibility for undertaking the impact assessment, Directorate Equality Forum Chairs ensure that EqIAs are completed and make recommendations for sign off by directors. A key element of the Council's EqIA process is consultation and engagement with the public, service users, community groups, the voluntary sector and our partners. All final decisions on proposals that require an impact assessment must take into account the outcomes and recommendations of the EqIA.
- 11.3 Accordingly the outcomes and recommendations of EqIAs should form the Equality/ Legal comments in any report. EqIAs are published on the Council's website and where practicable, they are appended to the relevant reports. Actions arising from EqIAs are included in departmental business plans to ensure that these are implemented and progress monitored.
- 11.4 The indicative criteria to be applied by all Directorates both in the consultation concerning and in the determination of the future funding of Third Sector organisations, and other organisations where appropriate, is set out in Appendix 8.

12 Risks and Opportunities

- 12.1 When setting the draft MTFP, Service Directors have provided their best estimate of their service costs and income based on the information currently available. However there will always be factors outside of the Council's direct control which will vary the key planning assumptions that underpin those estimates.
- 12.2 There are a number of significant risks that could affect either the level of service demand (and therefore service delivery costs) or its main sources of funding. In addition there are general economic factors, such as the level of inflation and interest rates that can impact on the net cost of services.

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- 12.3 Similarly there are opportunities either to reduce costs or increase income which will not, as yet, have been fully factored into the planning assumptions. The main risks and opportunities are summarised below.

Risks

- Reduction in service standards and/or performance
- Increasing service demand
- Impact of Housing Benefit and other welfare benefit changes
- Delay or non-delivery of savings proposals
- Inflation
- Shortfall in revenue due to general economic climate
- Outstanding and pending legal claims
- Further reduction in NHS joint funding
- Increase in bad debts

Opportunities

- New freedoms and flexibilities
- New income streams as a result of government White Paper
- Potential additional savings from Alexandra Park and Palace Trust

- 12.4 An evaluation of these risks forms part of the analysis detailed in Appendix 7.2. An assessment of the possible impact of these risks and opportunities will also form the basis of an on-going review of Reserves and Contingencies.

13 Dedicated Schools Grant

- 13.1 2010-11 is the final year of the current multi-year funding settlement for the Dedicated Schools Grant (DSG). The government has now confirmed DSG funding details for 2011-12 and that it has continued with the 'spend-plus' methodology for distributing DSG in that year; this means that the earliest point at which there could be a reversion to a formula based DSG allocation (including a more equitable Area Cost Adjustment (ACA) factor for Haringey) would be 2012-13.

- 13.2 The announcement identifies that DSG has, for 2011-12, been maintained at 2010-11 cash levels on a per pupil basis which is a real terms reduction to school funding. The grant has also been broadened to include a number of previously separate grant funded resources which have been included in DSG at the same per pupil level as for 2010-11. Those grants now included within DSG are:

- London Pay Additional Grant;
- School Standards Grant (incl. Personalisation);
- School Development Grant (incl. Specialist Schools);
- School Lunch Grant;
- Ethnic Minority Achievement Grant (EMAG);
- 1-2-1 tuition (making good progress);
- Extended Schools (sustainability and subsidy elements);

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- National Strategies (Targeted Support for Primary and Secondary); and
- Diploma Delivery Grant.

In addition resources for the extension of the Free Entitlement for 3 and 4 year olds will be subsumed into the DSG adjusted to reflect population changes and the new enhanced Guaranteed Unit of Funding (GUF).

- 13.3 In summary therefore the Council's 2010-11 per pupil (GUF) of £5,364.29 taken together with the value of the above grants at 2010-11 levels on a per pupil basis (£942.51) gives a 2011-12 GUF of £6,306.81. Whilst final pupil numbers will not be known until June 2011 at the earliest we have, based on the above information and 2010 pupil numbers, exemplified a DSG for the Council, which amounts to £204.615m. Once the annual school level census (PLASC) has been undertaken (January 2011) and validated a revised estimate of pupil numbers will be used to set school budgets.
- 13.4 On 20th December the Young People's Learning Agency (YPLA) who, amongst other things fund post 16 provision, issued a statement on 16-19 funding setting out that providers can also expect a real terms cut in funding. The YPLA expects the reduction in average funding per learning to be no more than 3% which it will achieve through transitional funding arrangements.
- 13.5 The YPLA also announced the intention to consult on a single National Funding Rate, remove some specific grants only payable to school VI form providers and to introduce a Young People's Premium in 2012.
- 13.6 A key element of the announcement, and the subject of previous consultations in 2010, is the introduction of a Pupil Premium (PP) for disadvantaged pupils up to age 16 in schools. The PP is to be provided by way of a separate ring-fenced grant within the overall Schools Budget Settlement and which must be passed on to schools with disadvantaged pupils. The level of the Pupil Premium in 2011-12 has been set at a flat rate of £430 per disadvantaged pupil; despite indications to the contrary in the government's final consultation papers, no enhancement for differential Area Costs is to be added to the Pupil Premium meaning that its value to Council's such as Haringey which has high levels of child poverty is reduced relative to others. Children who have been looked after for more than 6 months will also attract the Pupil Premium of £430 and the children of service personnel will attract a Pupil Premium of £200.
- 13.7 The government has previously indicated their expectation that schools can make efficiency savings from procurement and 'back office' functions and it appears that they have reflected this in their calculation of the pressures facing schools and therefore in the level of the Minimum Funding Guarantee (MFG) for schools. The MFG, which will take account of the transfer of grants, inflation and assumed efficiencies, has been announced at negative -1.5%.
- 13.8 In addition, and following its deferral by a year, all authorities will have to implement an Early Years Single Funding Formula (EYSFF) from April 2011. This will be used to fund all settings providing the free entitlement (15 hours per week over at least 38 weeks) to 3 and 4 year olds.

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- 13.9 The Schools Forum met on 17 January 2011 where their views on the Strategy for the Schools Budget, together with consideration of the final formula for the EYSFF, were sought. The Forum were asked to consider detailed papers and give their views on a number of recommendations; their views in the form of recommendations relating to both of those reports are summarised in Appendix 9.2. The Cabinet, at its meeting of 25 January 2011, were asked to consider and approve the proposed EYSFF.
- 13.10 The financial effects of the budget strategy proposals put to the Schools Forum are summarised in Appendix 9.1. The Cabinet has the final decision making power in relation to those recommendations appended to this report with the exception of School Forum ref: 8.38 which rests with the Forum.
- 13.11 The government has also announced the basis for calculating schools' Devolved Formula Capital (DFC) allocations which, on a like for like basis, indicate a reduction of 80% over 2010-11 levels.

14 Housing Revenue Account

- 14.1 The Department for Communities and Local Government (CLG) has now issued the final figures for the 2011-12 Housing Revenue Account Subsidy determination which form the basis of the proposed HRA Medium Term Plan which is attached as Appendix 10.1.
- 14.2 The target level of balances for the HRA has been set at £5m to reflect the risks associated with the management and maintenance of the housing stock. This is broadly achieved over the three year planning period.
- 14.3 The MTFP for 2011/12 includes £3m for new efficiencies and savings (Appendix 10.4) in potential new efficiencies and savings to set against this target. This is in addition to £0.352m (Appendix 10.3) of existing efficiencies in 2011/12 identified in last years plan.
- 14.4 New investment amounts to £1.705m (Appendix 10.2) in 2011/12 although this primarily relates to the one year restructuring costs of the HfH Property Services Division at £1.455m. This estimate represents the high end of expected costs should it be appropriate to enhance payments following the current ongoing negotiations with staff and trade unions.
- 14.5 The HRA capital financing charges and associated housing subsidy implications have also been reviewed. These now incorporate a reduction in estimated interest rates on outstanding debt from 6.18% to 5.83% reflecting the redemption of some high interest debt during 2011/12. The savings from this change amounts to £182,000 net of adjustments to subsidy.
- 14.6 All proposed changes have been incorporated in the HRA MTFP for 2011/12. The updated forecast including details of changes between years is set out in Appendix 10.5. The impact on HRA balances is summarised in the table below.

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	2011/12 £000	2012/13 £000	2013/14 £000
Opening HRA Working Balance	4,728	5,019	5,581
In-Year Use of Balances	291	562	945
Closing HRA Balance	5,019	5,581	6,525

- 14.7 The subsidy figures have been constructed on a similar basis to that used in previous years. CLG intends to continue with the existing HRA subsidy system until a reformed system of council housing finance is implemented. It is anticipated that these new 'Self Financing' arrangements will come into effect from April 2012 at the earliest. Indeed local authorities are still awaiting the outcome of the consultation process which closed in July 2010 with the Government announcing its intention to use the Devolution and Localism Bill to abolish the current HRA subsidy system.

Management and Maintenance Allowances

- 14.8 Within the subsidy determination Management and Maintenance Allowances are increased by 5.1% to £2,295 per dwelling. Taking into account the reduction in dwellings, this represents an increase in the overall allowances of £1.771m. The Major Repairs Allowance (MRA) per dwelling has increased by 5.7%. Taking account of the reduction in dwellings this represents a cash increase of £0.713m.

Rents and Restructuring

- 14.9 The subsidy determination gives a guideline rent increase of 6.4% per dwelling. This is based on the September 2010 RPI inflation of 4.6% and rental convergence with Housing Association rents by 2015-16.
- 14.10 The average weekly dwelling rents, with caps and limits applied under the government's rent restructuring policy, will increase from £82.13 to £87.49. This is a cash increase of £5.36 per week (6.5%). There will be differing increases across dwellings and a further analysis considering the range of increases is set out below.

Forecast weekly dwelling rents for 2011/12

No. of bedrooms	With Caps and Limits applied		
	Minimum £	Maximum £	Average £
Bedsit	54.33	95.81	69.72
1	45.37	113.65	74.85
2	65.44	124.79	87.37
3	61.82	132.95	100.58
3+	72.51	156.63	117.10
All dwellings	45.37	156.63	87.49

Percentage change in weekly dwelling rents for 2011/12

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No. of bedrooms	With Caps and Limits applied		
	Minimum	Maximum	Average
	£	£	£
Bedsit	3.3%	9.1%	6.9%
1	3.1%	9.9%	6.5%
2	4.2%	8.4%	6.6%
3	4.1%	8.6%	6.5%
3+	4.5%	8.1%	6.4%
All dwellings	3.1%	9.9%	6.5%

It has been past practice for CLG to compensate local authorities for the loss of rent income from applying the Caps and Limits to certain rent increases. Compensation has been applied through adjustment to the following year's subsidy entitlement. The estimated loss from applying the Caps and Limits is £340,000 in 2011-12. However, CLG has not as yet confirmed whether they will continue to fund the cost in 2012-13 and the Council will be seeking assurance that this funding will continue. The HRA MTFS assumes that this compensation will continue.

Service Charges

14.11 In addition to rents tenants receive separate service charges for specific services that they receive. Charges are made for the following services

- Concierge services
- Caretaking
- Grounds Maintenance
- Street Sweeping
- Light and Power (Communal Lighting)
- District Heating
- Water

Each of the above charges have been reviewed to establish the extent to which each covers the cost of provision. The objective of the charges is to cover the cost of provision without penalties in housing subsidy.

14.12 The service charge recovery takes account of income from leaseholders and the same cost apportionment principles have been applied in calculating charges for both leaseholders and tenants.

14.13 The review of charges has considered the forecast cost of services for 2011/12 and where income has exceeded actual costs prior years which can be applied to offset increases in 2011/12. Based upon current forecasts most of the service charges can be held at current levels in 2011/12. However, Thames Water Authority has provisionally indicated that charges will be increased by 4.5% in 2011/12. The proposed charges from April 2011 are set out in the table below.

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SUMMARY OF SERVICE CHARGE PROJECTIONS 2011-12

Option	Existing Charge per week 2010/11 £.p	Increase %	Increase £ .p.	Proposed New Charge 2011/12 £.p
Concierge	15.23	0	0	15.23
Grounds Maintenance	2.41	0	0	2.41
Caretaking	5.57	0	0	5.57
Street Sweeping	2.98	0	0	2.98
Light and Power (Communal Lighting)	1.06	0	0	1.06
District Heating	9.02	0	0	9.02
Water	5.33	4.5%	0.24	5.56

Information regarding charges for the upgrade of digital aerial services, and the maintenance of un-adopted roads is currently being evaluated.

15 Capital Programme

- 15.1 The Spending Review announcement in October indicated that capital funding from all government departments to Councils would fall by around 45 per cent over the Spending Review period and the Provisional Finance Settlement has confirmed these reductions. This has had a significant impact for the Council as previous capital programmes had largely been financed by government grant, supported borrowing approvals or other external funding, although discretionary local schemes with a high priority have been funded by capital receipts. The externally funded programme being proposed by Services for 2011/12 to 2013/14 generally factors in these restrictions on capital funding.
- 15.2 The proposed capital programme for 2011/12 to 2013/14 is summarised in Appendix 11. This also shows the individual schemes within each service area and their associated sources of funding. The three main sources of funding are external grants, capital receipts and reserves and prior year un-used supported borrowing allocations.
- 15.3 As part of the Provisional Finance Settlement the Government announced that new supported borrowing approvals will no longer be available from 2011/12 (see paragraph 15.12 below for further details). Prudential borrowing remains a source for funding capital investment. However, its use will need to be assessed on a project by project basis and a clear business case must be submitted which properly demonstrates that the revenue borrowing costs are affordable within service budgets, otherwise it is unlikely to be approved.

Children and Young Peoples Service

- 15.4 The Building Schools for the Future (BSF) construction programme will formally close in 2011/12 with the completion of the last two projects at Heartlands in April

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2011, and Woodside in September 2011. Remaining expenditure on these two projects and the payment of outstanding retentions and fees on the rest of the programme comprises the majority of planned spend in 2011/12. Ongoing contract management and refresh of equipment within the ICT managed service will continue over the next 3 years to September 2013 when the current contract ends.

- 15.5 The main continuing investment projects in the Primary sector are: Broadwater Farm Integrated Learning Campus, the expansion of Rhodes Avenue to three forms of entry, and a project at Mulberry Primary School to replace life expired infant classrooms and improve extended service provision.
- 15.6 The currently proposed CYPS capital programme for 2011/12 to 2013/14 is underpinned by £9.2m of supported borrowing allocations from Government up to and including 2010/11 but previously unused. The funding is largely phased in the latter two years of the programme. Due to the workings of the formula grant system the Council will not in practice receive any additional cash funding to support the associated borrowing cost. The associated debt financing costs have been built into the Medium Term Financial Plan (see also paragraph 15.12 below).
- 15.7 The government has recently indicated that it will be reviewing schools capital grant allocations.

Housing Revenue Account

- 15.8 The only confirmed capital funding stream for the HRA is the Major Repairs Allowance (MRA) for 2011/12 amounting to £13.5m. The current HRA programme is therefore significantly based on this funding stream with some additional funding being provided from corporate resources and leaseholder contributions to fund the proposed programme for 2011/12 of £17.5m. The position for later years is currently uncertain and only indicative figures are included based mainly on the current MRA which is the Government's assessment of the minimum investment required to maintain homes at a decent standard.
- 15.9 For Decent Homes, the Provisional Finance Settlement indicates that funding for 2011/12 will be substantially reduced from current assumptions by around 60%. Furthermore the CLG have announced that funding allocations will be determined via a bidding process being managed by the Homes and Communities Agency (HCA). The deadline for submission of bids for 2011/12 was 11 January 2011 and allocations are likely to be announced in February at the earliest. If the Council's bid is successful the approved funding will be added to the HRA capital programme at that time.

Other Services Capital Programme

- 15.10 Details of the proposed schemes within ACCS, Corporate Resources and Urban Environment proposed capital programme are included in the Appendix. The ACCS programme is mainly funded from grant resource, e.g. disabled facilities grant and heritage lottery fund. The Corporate Resources and Urban Environment programmes are mainly funded from capital receipts. The latter also includes the

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capital element of the Transport for London funding which was announced during December and totals £2.8m for Haringey.

Invest-to-Save Opportunities

- 15.11 The capital programme currently includes two schemes within the Accommodation Strategy which will only proceed if they can be supported by a self-financing business case. It is likely that as part of the Council's transformation programme there will be other invest-to-save opportunities that will be incorporated into the capital programme as and when a business case with an appropriate pay-back period has been approved by Members.

Capital Receipts and Reserves

- 15.12 With respect to internal resources, the forecast capital receipts over the planning period 2011/12 to 2013/14 continue to reflect the prevailing uncertain and difficult property market conditions. It is estimated that approximately £19.8m of new usable capital receipts will be available over the planning period phased £9.3m in 2011/12, £7m in 2012/13 and £3.5m in 2013/14. The proposed schemes to be funded from these and other internal resources, e.g. reserves, as considered by Cabinet on 21 December 2010, are based on the Council's investment priorities and also to enable essential health and safety issues to be addressed. The programme allows for the repayment of the Schools Modernisations Grant back to CYPS in 2012/13 as planned.
- 15.13 Delays in realising the planned capital receipts could have a significant impact on the funding of the associated element of the capital programme. This will be a risk and will need to be carefully monitored. It should be noted that the capital programme is heavily dependent on large specific asset sales which, if delayed, may require the Council to borrow temporarily.

Supported Capital Expenditure (SCE)

- 15.14 The Provisional Finance Settlement announced the abolition of supported capital expenditure allocations from 2011/12. Some priority investment supported through this funding stream may alternatively continue to be supported by capital grants but currently there is no further detail on this. This decision could significantly affect the CYPS and HRA capital programmes in the future as this source of funding accounted for approximately £11m of allocations in 2010/11, £4.7m for CYPS and £6.3m for HRA.

Capitalisation of Redundancy Costs

- 15.15 There is a risk within the overall capital budget regarding the funding of redundancy costs. This is dependent on the nature of any capital authorisation given by the government: if that authorisation is by way of prudential borrowing then this will not impact on the capital programme as presented. However, if the authorisation is by way of the use of capital receipts then it may be necessary to review the other services element of the Capital Programme to release capital resources to fund these redundancy costs. This will be assessed in the near future.

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16 Treasury Management Strategy

- 16.1 The Treasury Management Strategy Statement for 2011-12 was approved by General Purposes Committee on 11th January and Cabinet on 25th January 2011 in accordance with the CIPFA Treasury Management Code of Practice. The report set out the proposed strategy with regard to borrowing, the investment of cash balances and the associated monitoring arrangements.
- 16.2 The key factor underpinning the strategy for 2011/12 is that short term interest rates are expected to remain very low throughout the year in contrast to medium and long term rates. This means that there will be a “cost of carry” if funds are borrowed in advance of capital expenditure being incurred. Therefore the Council anticipates continuing to run a strategy of keeping cash balances low and investing short term, so only borrowing when required.
- 16.3 Some limited additions to the Council's lending list were proposed in order to provide some further investment capacity. These proposals were put forward having taken advice from the Council's treasury management advisers and were deemed prudent enough to ensure the credit rating of the Council's investment portfolio remains high.
- 16.4 The proposed prudential indicators set out in the report were based on the capital programme as detailed in Section 15 above and Appendix 10. They do not reflect the funding of Decent Homes or any capital grants that may be forthcoming in lieu of supported borrowing. The government have not yet made clear how much will be allocated to the Council or how it will be funded. Once this is clear, the prudential indicators will need to be revisited and if necessary revised. Any revisions to the indicators will need to be approved by full Council.

17 Consultation

Public Consultation

- 17.1 The Council informed, consulted and engaged residents on its main budget process in line with the participatory budgeting agenda and the Audit Commission criteria regarding engagement with communities in the financial planning process.
- 17.2 Planning for, and implementation of, the consultation began prior to the announcement of the Government's Spending Review on 21 October 2010 and Local Government Settlement (LGS) on 13 December – both of which fell within the consultation period.
- 17.3 The consultation could not be delayed until these were announced because of the requirement for the Council to set a legal budget in February 2011. The objectives of the consultation – entitled *Shaping Our Future* – were therefore to:
- Tell people about the spending choices the Council would have to make about services when allocating limited money in future;

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- Enable people to tell the Council what, if any, changes to services they would support; and
 - Capture ideas for saving money and views about the effects of the Government's spending plans locally.
- 17.4 The consultation was undertaken using an online and paper questionnaire both of which contained an invitation to take part as well as factual information about the Council's budget and its services. The paper questionnaire was widely available from the Council's main offices, customer contact centres, libraries, sports and leisure centres and park cafes. It was also distributed with the help of schools and children's centres, area assemblies and partner organisations (inc. HAVCO and Age UK Haringey).
- 17.5 The consultation was supported by a range of activity: three Haringey People articles; press releases; street posters; attendance by Cabinet members and officers at Area Assembly and Haringey Youth Council meetings during the consultation period; the Council's main web site; and YouthSpace web site. The consultation, and the issues it raised, was also covered by the local press.
- 17.6 The online and paper questionnaire included an explanation of the Council's funding sources together with an outline of the overall budget spend across nine service areas, and the Council's current estimated allocation per household across ten service areas. These attempted to communicate complex financial issues in a straightforward way. Participants were asked: how they would allocate funding; what changes to services they would support (if any); and whether or not they used the service they were commenting upon. The scope of the questions was limited given the estimated savings to be made and the requirement that the Council set a legal budget.
- 17.7 Consultation commenced on 4 October. An e-mail was sent to all 'Have Your Say' Haringey Group partners and other Council staff asking them to promote the consultation through their contacts and networks (both on and off line). This was designed to increase the number of residents, businesses, voluntary and community groups and young people taking part. Consultation was due to close on 3 December, but was extended to 17 December to compensate for time taken to produce the paper questionnaire. On 30 November the extension to the deadline was publicised on a wide range of outdoor poster sites in prominent positions around the borough.
- 17.8 Because of the importance of, and impact of, the consultation on every household in the borough, the Council distributed 97,000 questionnaires. 739 completed questionnaires and 10 e-mails were received compared with 20 in the previous years consultation process.
- 17.9 The majority of responses were submitted by individuals and included 1,042 ideas and comments. A summary of the findings and main comments are as follows:
- The majority rated rubbish collection and recycling services as very or fairly important; and CCTV as fairly or very unimportant;

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- When invited to do so, the majority of respondents allocated a total amount of £4,500 per household across ten service areas (which is broadly the same amount the Council currently spends);
 - However, analysing the amounts respondents allocated to each service area individually reveals the following differences from the Council's current allocation:
 - Respondents would allocate less or the same amount to schools and children's centres, children's safeguarding, support for the elderly and people with disabilities, libraries, culture, sports and leisure and environmental services; and
 - Respondents would allocate more than currently spent to tackling crime and anti-social behaviour, reducing carbon emissions, dealing with housing and homelessness, regeneration and access to jobs and training, and support for community organisations.
 - Overall, responses support getting others to provide the service for older people and sports and leisure services; reducing library opening times; stopping all landscaping and building in parks and open spaces unless fully funded by others; and working with others to achieve greater efficiency in the delivery of environmental services. They do not, however, support any of the options for change for pre-school facilities.
 - Except for users of parks and open spaces and environmental services (who supported stopping all landscaping and building in parks and open spaces unless fully funded by others and working with others to achieve greater efficiency in the delivery of environmental services respectively) the users of the other four services did not support any of the options for change.
- 17.10 Non-users support: getting others to provide services for older people and pre-school facilities; reducing the opening times of libraries, sports and leisure centres and parks and open spaces; and working with others to achieve greater efficiency in the delivery of environmental services.
- 17.11 The main issues raised by the 1,042 ideas and comments were about:
- More effective and efficient use of resources through greater means testing and charging of those able to pay for older peoples services;
 - Requests that the Council not make any changes to libraries because of their social, cultural and economic role in the life of the borough and/or generating more income to help finance the service through increased charges, rental/concession space and greater use of technology;
 - Ways of generating income in order to finance sports and leisure services through increased and varied charges, more efficient use of centres for corporate business use and health promotion;

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- The use of volunteers to encourage greater community involvement and ownership in the maintenance and management of parks and open spaces;
- Use of 'invest to save' in order to increase recycling and reduce collections; generation of more income through fines, penalties and charges; and a request not to make any changes (for public health reasons) in order to maintain and improve levels of cleanliness by the borough's environmental services;
- Securing adequate funding for public services in the borough by Council opposition to the cuts through campaigning and lobbying for increases in taxation; and
- The content and scope of the consultation itself relating to question design, information provided and cost.

17.12 The Council will continue to inform, engage and consult residents and service users in order to deal with the ramifications of the unprecedented spending reductions it faces.

Haringey Strategic Partnership

17.13 Since June 2010 there has been an on-going dialogue with the Haringey Strategic Partnership (HSP), its sub groups and in community meetings on the impact on Haringey of the Comprehensive Spending Review and in particular the cuts to the area based grant. Theme boards have confirmed their priorities for the coming year and undertaken work to identify the cuts that need to be made and the likely impacts. Further discussion with local community and voluntary groups to provide an opportunity for them to discuss the proposals with councillors and senior managers is planned for February.

Schools

17.14 The Schools Forum met on 17 January 2011 where their views on the Strategy for the Schools Budget, together with consideration of the final formula for the EYSFF, were sought. The Forum considered detailed papers and endorsed all of the recommendations in the covering reports. A full list of the recommendations of the Forum on both the EYSFF and 2011-12 DSG Budget Strategy are attached as Appendix 9.2.

Housing Tenants

17.15 Consultation with tenants has been carried out on the new basis started last year. From 2010-11 there was a single consultation paper covering both rents and service charges. This detailed proposed changes in rent and service charges for each tenant in a single statement. This was mailed directly to tenants with the opportunity to make a written response or through a telephone advice and response line. The consultation has been carried out based upon the proposed rent increase of 6.6% together with proposed service charges from April 2011.

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17.16 The table below represents the summary of responses from tenants.

Response	Negative	Neutral	Positive	Grand Total	% Response
Email	8	0	0	8	3%
Phone	28	18	6	52	20%
Written	130	24	26	180	75%
Grand Total	166	42	32	240	100%
% Response	69%	18%	13%	100%	

17.17 The 166 (69%) negative responses were by and large from those in work who were already having to face pay freezes and considered the rent & water rates increases unacceptable. The feeling was very strong amongst this group and whilst many accepted that a rise was inevitable, the effect of a weekly rise of £5 or £6 per week was of serious concern to those tenants.

Other Stakeholders

17.18 In addition to the extensive consultation detailed above the Council has also presented the budget proposals to the Trade Unions and other stakeholders. The proposals for savings set out in Appendix 6.1 and 6.2 contain significant reductions in what had previously been schemes for grant funding a variety of organisations. The majority of these organisations are third sector organisations, comprising voluntary organisations, community organisations and others. However, there are also a lesser number of private sector organisations that receive funds through the grant funding arrangements. The significant savings in the grant funding arrangements will require consultation with these organisations and the determination of new funding arrangements through the application of criteria designed to reflect the new priorities of the Council. Attached at Appendix 8 are indicative criteria for use by individual Directorates when taking funding decisions under particular funding schemes. Each Directorate will tailor these criteria to its particular needs and will apply them initially on an indicative basis for the purpose of consultation. Each Directorate will consult appropriate organisations following the application of its detailed criteria. The responses to the consultation will be taken into account in making the final determination, including any relevant comments concerning the detailed criteria themselves.

Overview and Scrutiny

17.19 *To be inserted following the Overview and Scrutiny committee meeting on 31 January 2011.*

DRAFT

18 Summary

- 18.1 The projected available funding available for 2011-12 as reported to Cabinet in December 2010 required savings to be identified totalling £46.5m to deliver a balanced budget for that financial year. Since the December meeting however, additional potential funding of £2.7m has been identified (£1.5m increase in the Council Tax base and £1.2m in New Homes Bonus) together with a reduction in the projected provisions required for inflation (£1.2m less), NLWA (£1.0m less) and pension and other costs (£0.6m). This has brought the saving requirement down to £41.0m.
- 18.2 Nevertheless, this remains an incredibly challenging requirement, representing as it does over 14% of the Council's net budget: and all to be achieved within a twelve month period. Savings of this magnitude will have a profound impact on the level of service provision that can be provided to residents and local businesses and the way in which those services are delivered.
- 18.3 As the MTFP indicates, the government's current spending plans will continue to put strains on the Council's available funding, notwithstanding the new 'freedoms and flexibilities' promised through the localism agenda. The current projected savings still to be identified in 2012-13 and 2013-14 total a further £42m. Recent growth figures announced for the national economy suggest that the country is still a long way from seeing an economic recovery.
- 18.4 This will mean that the level of demand for the Council's services, particularly from the most vulnerable in our society, will continue to increase the spending requirement whilst the available resources continue to be squeezed.
- 18.5 The current proposed Medium Term Financial Plan reflects those risks (and to a lesser extent opportunities) that can be realistically assessed at this point in time. However, the scale of social change that will be driven by the Government's proposals from its Spending Review will mean that the Council will need to review on at least a quarterly basis the robustness of the key planning assumptions and be prepared to adjust the plan accordingly.

19 Comments of the Head of Legal Services

- 19.1 The Council is under a statutory duty to set a balanced budget having regard to the report of its Chief Financial Officer as to the robustness of the estimates and the adequacy of proposed financial reserves. This must be preceded by a robust and comprehensive Medium Term Financial Plan. The report proposes to Members that a process of consultation be undertaken on the HESP proposals for savings which will involve relevant groups of the community, service users and staff. The Council must have due regard to its duties under the Equality Act 2010 when taking final decisions on the savings proposals and this in appropriate cases will include the carrying out of equality impact assessments and considering the results of these before taking final decisions. Members are reminded that in cases where a proposal involves a change to arrangements to meet a statutory duty, members will need to be assured before taking a final decision that the proposals for an alternative means of meeting that statutory duty are adequate.

SUMMARY OF DRAFT MEDIUM TERM FINANCIAL PLAN TO MARCH 2014

Appendix 1

	2011-12 £'000	2012-13 £'000	2013-14 £'000	Totals £'000
Total Net Service Cost Brought-forward	307,829	286,169	273,939	
Changes and Variations				
Prior-year Agreed Growth	23,648	11,173	18,863	53,684
Prior-year Agreed Savings	(640)	(203)	(25)	(868)
	(3,614)	(283)	-	(3,897)
Total Funding Requirement before Savings	<u>327,223</u>	<u>296,856</u>	<u>292,777</u>	
Total Projected Available Funding	286,169	273,939	273,039	
Total Savings Requirement	<u>(41,054)</u>	<u>(22,917)</u>	<u>(19,738)</u>	<u>(83,709)</u>
Savings Proposals - December Cabinet	(12,564)	(10,114)	(5,675)	(28,353)
New Savings Proposals	(28,490)	(6,014)	492	(34,012)
Total HESP Savings Proposals	<u>(41,054)</u>	<u>(16,128)</u>	<u>(5,183)</u>	<u>(62,365)</u>
Budget Shortfall - Savings to be Identified	<u>-</u>	<u>(6,789)</u>	<u>(14,555)</u>	<u>(21,344)</u>

DRAFT MEDIUM TERM FINANCIAL PLAN TO MARCH 2014

Appendix 2

	2010-11 Revised Budget £'000	Prior Year Approved Growth £'000	Changes and Variations £'000	Prior Year Approved Savings £'000	New Savings £'000	2011-12 Projected Budget £'000	Prior Year Approved Growth £'000	Changes and Variations £'000	Prior Year Approved Savings £'000	2012-13 Projected Budget £'000	Prior Year Approved Growth £'000	Changes and Variations £'000	Savings £'000	2013-14 Projected Budget £'000	
Service Areas (excluding Corporate Recharges and Capital Financing Costs)															
Children's and Young People	73,837	-	7,362	(445)	(10,262)	70,492	-	(1,983)	-	64,633	-	(741)	0	63,892	
Adults Culture and Community Services	95,101	1,240	4,402	(406)	(10,326)	90,011	60	2,819	(4,917)	87,973	(25)	2,485	(2,405)	88,028	
Urban Environment	46,613	(1,308)	2,240	(1,826)	(7,508)	38,211	(149)	-	(221)	36,749	-	-	(216)	36,533	
Sub-Total	215,551	(88)	14,004	(2,677)	(28,096)	198,714	(89)	836	(221)	189,355	(25)	1,744	(2,621)	188,453	
Corporate Services															
Corporate Resources	37,095	(175)	200	(886)	(6,975)	29,459	-	-	(62)	(59)	-	-	(732)	28,606	
People & Organisational Development	5,756	-	-	(143)	(3,129)	2,484	-	-	(427)	2,057	-	-	(130)	1,927	
Policy, Performance, Partnership & Communication	6,166	(300)	-	(107)	0	6,059	-	-	-	6,059	-	-	-	6,059	
Chief Executive	2,979	(97)	4,144	(1)	(2,854)	2,678	(114)	3,337	(5,757)	2,678	-	-	-	2,678	
Non-Service Revenue	40,283	-	5,300	-	-	41,476	-	7,000	-	38,942	-	9,619	(1,700)	46,861	
Inflation Provision	-	-	-	-	-	5,300	-	-	-	12,300	-	7,500	-	19,800	
Sub-Total	92,279	(572)	9,644	(937)	(12,958)	87,456	(114)	10,337	(62)	(6,243)	-	17,119	(2,562)	105,931	
Total Funding Requirement	307,829	(640)	23,648	(3,614)	(41,054)	286,169	(203)	11,173	(283)	(16,128)	280,728	(25)	18,863	(5,183)	294,383
Funding Sources															
Formula and Core Grants (excl DSG)	206,859	-	-	-	(26,914)	179,945	-	-	-	(14,730)	165,215	-	-	(3,500)	161,715
New Homes Grant	-	-	-	-	1,200	1,200	-	-	-	1,200	-	-	-	-	1,200
Council Tax	100,970	-	-	-	1,530	102,500	-	-	2,500	105,000	-	-	2,600	107,600	
Council Tax Grant	-	-	-	-	2,524	2,524	-	-	-	2,524	-	-	-	2,524	
Total Available Funding	307,829	-	-	-	(21,680)	286,169	-	-	(12,230)	273,939	-	-	(900)	273,039	
Budget Shortfall - Savings to be Identified															
						0				6,789				21,344	

New Revenue Investment Proposals

Ref	Directorate	Business Unit	Proposed Use of Investment & Justification (KPIs etc)	2011/12 over 2010/11 £'000	2012/13 over 2011/12 £'000	2013/14 over 2012/13 £'000	Total £'000	Impact on Service / Performance	Priority
1	Adults Culture & Community Services	AC02 Adult Social Care Services	Reduced contributions from NHS - Harringey regarding Learning Disabilities service users.	695			695	The NHS fund a number of NHS Continuing Care packages and placements and part fund a number of establishments.	A Healthy Caring Harringey
2	Adults Culture & Community Services	AC02 Adult Social Care Services	Reduced contributions from NHS - Harringey regarding Mental Health service users.	383			383	As above	A Healthy Caring Harringey
3	Adults Culture & Community Services	AC02 Adult Social Care Services	Demographic pressures Mental Health. Increasing client numbers year on year have resulted in an uncontrollable pressure in 2009/10 and 2010/11.	556			556	Despite using prescribed pricing tools, managing the interface between health and social care Harringey attracts a high number of mental health users from inner city boroughs, coupled with the reduction in acute beds in the MHT and acute commissioning spend.	A Healthy Caring Harringey
4	Adults Culture & Community Services	AC02 Adult Social Care Services	Demographic pressures Older People. Increasing client numbers year on year have resulted in an uncontrollable pressure in 2009/10 and 2010/11.	455			455	In line with national trends and demographic pressures Harringey is experience growth in Older Peoples Services. Again, as for all client groups, despite the vigorous application of pricing tools a funding pressure has emerged over recent years.	A Healthy Caring Harringey
5	Adults Culture & Community Services	AC02 Adult Social Care Services	Demographic pressures Physical Disabilities. Increasing client numbers year on year have resulted in an uncontrollable pressure in 2009/10 and 2010/11. Additional growth is anticipated	466	244	169	879	As above (older people)	A Healthy Caring Harringey
6	Adults Culture & Community Services	AC02 Adult Social Care Services	Transition - To fund the increased needs of young people when they leave school or reach 18 in 2011-14. All client groups. A total of 184 children over 3 years. Assumes health income of £1.4m.	1,847	2,575	2,316	6,738	Without the transition growth we will be unable to fund the new cases coming through from CYPS to Adults services. The commissioning budget will significantly overspend particularly since these new cases tend to have very high needs and high spend attached. Although everything possible is done through the transition process to achieve good value for money prior to the transfer to adult services this does not negate the financial impact of these transition cases.	A Healthy Caring Harringey
	Adults Culture & Community Services			4,402	2,819	2,485	9,706		
7	Children & Young People	Children & Families	To fund the appropriate structures in Safeguarding and Support / First Response to enable the effective evaluation of children for care services.	715			715	Increase in costs necessary to accommodate the increased number of Children being referred and assessed for care services.	A Safer Harringey
	Total								

New Revenue Investment Proposals

Ref	Directorate	Business Unit	Proposed Use of Investment & Justification (KPIs etc)	2011/12 over 2010/11 £'000	2012/13 over 2011/12 £'000	2013/14 over 2012/13 £'000	Total £'000	Impact on Service / Performance	Priority
8	Children & Young People	Children & Families	Demographic pressures - Looked after Children. The number of LAC has continued to increase above the number assumed in the base budget.	4,000	(1,983)	(741)	1,276	Necessary to cope with the full year effects of the current number of children in care. Future years' reductions dependent on successful management action.	A Safer Haringey
9	Children & Young People	Children & Families	An increase in the legal costs budget which is necessary to reflect an increasing children in care population due to increase in child care cases.	500			500	Volume increase in legal case work associated with the higher number of Children-in-Care. Delays in representing cases in court leads to higher costs and potentially worse outcomes for C-I-C.	A Safer Haringey
10	Children & Young People	Children & Families	This is necessary to fund a range of costs associated with families with children who have No Recourse to Public Funds as a result of their immigration	1,000			1,000	Establishment of base budget provision for group unsupported by grant. This group has no other means of supporting their families and therefore children are potentially at risk.	A Safer Haringey
11	Children & Young People	Children & Families	To fund client related expenditure in respect of homeless 16 and 17 year olds who must, following court judgement, receive services as a LAC.	301			301	To accommodate the on-going pressure in this area caused by the Southwark Judgement, which places an obligation on authorities to recognise this client group as being entitled to care services.	A Safer Haringey
12	Children & Young People	Children & Families	To provide the appropriate allowances for those looking after children as 'Special Guardians' as an alternative to other care arrangements.	521			521	To achieve more cost effective placement of children through the SG route rather than more expensive placement alternatives.	A Safer Haringey
13	Children & Young People	Children & Families	To fund the appropriate structures in the Children-in-Care Service to provide effective services for those children placed in care and ensure the best long term care solution is achieved.	325			325	Increase in costs necessary to accommodate the higher numbers of Children-in-care and the appropriate staff infrastructure.	A Safer Haringey
	Children & Young People Total			7,362	(1,983)	(741)	4,638		
14	Corporate Resources	BLT	On going economic downturn could continue to place pressure on workload for the division, impacting on the performance of housing and council tax benefit days to pay. As in 2010/11 additional resources may be needed to meet the pressures in 2011/12, if performance is to be maintained or improved. If economy picks up, may not be required 2012/13+	200	0	0	200	The last 7 months have seen a reduction in the combined Days to Pay for New Claims & Changes of Circumstances (NI 181), largely brought about by improvements in staff productivity, more efficient operational processes and the steady reduction in the build up of old outstanding claims. However the on going impact on our workload from the current economic climate and the need for us to undertake other proactive measures in running an efficient service (data matching, running of control reports, subsidy control & cleansing) continue to add to our pressures. Without additional resources, maintaining current performance, and achieving further improvements, is likely to be a challenge for the Service.	Delivering High Quality Efficient Services

New Revenue Investment Proposals

Ref	Directorate	Business Unit	Proposed Use of Investment & Justification (KPIs etc)	2011/12 over 2010/11 £'000	2012/13 over 2011/12 £'000	2013/14 over 2012/13 £'000	Total £'000	Impact on Service / Performance	Priority
	Corporate Resources			200	0	0	200		
	Total			200	0	0	200		
15	Urban Environment	Housing & Strategy	Housing Subsidy Shortfall – changes to subsidy rules from this year and further changes from next year leading to shortfall in base budget.	2,200			2,200	The Housing Benefit Subsidy changes have created an underlying shortfall in the Council's income stream. Further changes will be implemented on the 1st April 2011. This balance will meet the gap that remains after all the cost cutting measures carried out by the Service. It will allow the Council to continue to discharge its statutory homelessness duty to vulnerable clients.	A Healthy Caring Haringey
16	Urban Environment	Planning & Regeneration	North London Strategic Alliance - sub-regional working.	40			40	NLSA is working in partnership with north London boroughs to ensure improved and cost effective shared services.	Delivering High Quality Efficient Services.
	Urban Environment			2,240	0	0	2,240		
	Total			14,204	836	1,744	16,784		
	Grand Total								

Changes and Variations

Item	Potential / Known Budget Pressure	2011/12 over 2010/11	2012/13 over 2011/12	2013/14 over 2012/13	Total
1	Inflation	£'000	£'000	£'000	£'000
2	NLWA - additional cost of new facility	5,300	7,000	7,500	19,800
3	NWLA - Increase in Landfill Tax			1,900	1,900
4	Increase in cost of concessionary fares	500	2,100	400	3,000
5	Carbon reduction commitment	2,500	500	500	3,500
6	Council Tax Benefit - subsidy 10% reduction	500			500
7	Risks to future government funding and changes in the Welfare Benefits system		2,500	2,600	5,100
8	Single Status- outstanding settlements	1,000			1,000
9	Debt Financing Costs (net)	(356)	(1,763)	219	(1,900)
	Changes and Variations Total	9,444	10,337	17,119	36,900

London Borough Of Haringey
Pre-Agreed Investments
2011/12 to 2013/14

Appendix 5.1

Pre-Agreed Revenue Investments		As Agreed by Council		Revised or Restated		Total Variance (Revised/Agreed)	
Ref	Directorate	Business Unit	Area / Service	2011/12 over 2010/11	2012/13 over 2011/12	2013/14 over 2012/13	Total
7	Policy, Performance, Partnerships & Communications	PP04 Policy & Performance	To fund a comprehensive information function, with geographical information system (GIS) capability, for the Council & HSP. Enables enhanced needs analyses to inform service provision. Essential to meet CAA requirements.	4	0	0	4
8	Urban Environment	PP04 Policy & Performance Total UE08 Frontline Services	Effective procurement of Public Realm Strategic Contract	(150)	(150)	(100)	(100)
9	Urban Environment	UE08 Frontline Services Total	Additional Resources to maintain momentum in Housing Improvement Plan	(150)	0	0	(150)
10	Urban Environment	UE06 Strategic and Community Housing Services	Private Sector Leasing Renewals	(694)	(694)	(694)	(694)
11	Urban Environment	UE06 Strategic and Community Housing Services	Rent Deposit Scheme	(264)	(89)	(89)	(353)
12	Urban Environment	UE06 Strategic and Community Housing Services Total	Payback of investment in earlier years	(1,208)	(89)	0	(1,297)
13	Urban Environment	UE09 Planning, Regeneration & Economy	Payback of investment in earlier years	(60)	(60)	0	(60)
		UE09 Planning, Regeneration & Economy	Increased support to those residents that meet the criteria.	0	0	(25)	(25)
		UE09 Planning, Regeneration & Economy	Preparations for launch in Dec/Jan subject to changes in current legislation.	0	0	(25)	(25)

London Borough Of Haringey
Pre-Agreed Investments
2011/12 to 2013/14

Appendix 5.1

Pre-Agreed Revenue Investments		As Agreed by Council		Revised or Restated		Total					
Ref	Directorate	Business Unit	Area / Service	2011/12 over 2010/11	2012/13 over 2011/12	Total	2011/12 over 2010/11	2012/13 over 2011/12	2013/14 over 2012/13	Total	Variance (Revised Agreed)
		UE09 Planning, Regeneration & Economy Total		0	(60)	(60)	0	(60)	(25)	(85)	25
		Total		(541)	(89)	(630)	(543)	(89)	(25)	(657)	27
14	Alexandra Park & Palace	Alexandra Park & Palace	Ice Rink	-97	-114	-211	(97)	(114)		(211)	0
		Grand Total		(638)	(203)	(841)	(640)	(203)	(25)	(868)	27